

## **Florida Department of Education**

**October 3 – 7, 2011**

**Scope of Review:** A team from the U.S. Department of Education's (ED) Student Achievement and School Accountability Programs (SASA) office monitored the Florida Department of Education (FLDOE) the week of October 3 - 7, 2011. This was a comprehensive review of the FLDOE's administration of the following programs authorized by the Elementary and Secondary Education Act of 1965 (ESEA), as amended. Title I, Part A; and Title I, Part D. Also reviewed was Title VII, Subtitle B of the McKinney-Vento Homeless Assistance Act (Education for Homeless Children and Youth) as amended.

In conducting this comprehensive review, the ED team carried out a number of major activities. In reviewing the Part A program, the ED team conducted an analysis of the effectiveness of the support measures established by the State to benefit local educational agencies (LEAs) and schools, and reviewed compliance with fiscal and administrative oversight requirements of the State educational agency (SEA). During the onsite week, the ED team visited two LEAs – Miami-Dade County Public Schools (MDCPS) and Palm Beach County Public Schools (PBCPS) and interviewed the district, public and private school staff, as well as administrative staff in these LEAs that have been identified for improvement.

In its review of the Title I, Part D program, the ED team examined the State's application for funding, procedures and guidance for State Agency (SA) applications under Subpart 1 and LEA applications under Subpart 2, technical assistance provided to SAs and LEAs, the State's oversight and monitoring plan and activities, SA and LEA subgrant plans and local evaluations for projects in the Department of Corrections in Miami-Dade and Palm Beach Counties.

The ED team interviewed administrative, program and teaching staff. The ED team also interviewed the FLDOE Title I, Part D State coordinator to confirm information obtained at the local sites and discuss administration of the program.

In its review of Title VII of the McKinney-Vento Homeless Assistance Act (Education for Homeless Children and Youth), the ED team examined the State's procedures and guidance for the identification, enrollment and retention of homeless students, technical assistance provided to LEAs with and without subgrants, the State's McKinney-Vento application, and LEA applications for subgrants and local evaluations for projects in Miami-Dade and Broward Counties. The ED team also interviewed the FLDOE McKinney-Vento State coordinator to confirm information obtained at the local site and discuss administration of the program.

**Previous Audit Findings:** Subrecipient monitoring remained an ongoing deficiency. Based on the continued prior findings of the A-133 audit for FY 2004, the deficiencies reported in the onsite monitoring of the FLDOE by ED in 2005, and the insufficient responses that the FLDOE submitted in November 2006, the FLDOE was required to develop and implement corrective actions. The FLDOE was required to submit to ED a revised monitoring plan that pertained to Title I with internal controls that documented how it would: implement a monitoring process that determined whether LEAs were complying with Title I basic fiscal requirements; carrying out comprehensive monitoring to ensure that all LEAs implemented programmatic requirements, and applying internal controls for selecting LEAs for onsite and desk monitoring, for issuing reports, developing corrective action plans, and maintaining a recordkeeping system for documenting and following up on corrective actions taken to ensure LEAs remain in compliance.

Comparability was an additional issue that had been repeatedly identified in A-133 audits. The FLDOE was required to provide ED with a copy of alternative methods it used for meeting comparability requirements; provide evidence that it had received the required comparability reports from its LEAs, and provided evidence of the implementation of corrective actions taken to ensure that LEAs remained in compliance with the comparability requirements under Title I, Section 1120A(c) of ESEA (20 USC 6321(c)).

**Previous Monitoring Findings:** The FLDOE's procedures for monitoring its LEAs for compliance with Title I of the ESEA were insufficient to ensure that all areas of noncompliance were identified and corrected in a timely manner. Definitions of limited English proficient (LEP) students and criteria for student exit from the LEP subgroup varied across LEAs in the State due to flexibility the State allowed for districts in defining criteria for student exit from the LEP subgroup. The FLDOE's State Report Card did not include student achievement at each proficiency level on the State academic assessments. The FLDOE had not demonstrated that it had fully implemented a statewide system of support that specifically addressed and provided ongoing and sustained support to Title I schools in corrective action and/or restructuring as well as to LEAs in improvement or corrective action. This was a similar finding during ED's 2005 monitoring review. Schools visited by the ED team did not consistently have school-level parental involvement policies as required by the statute. The ED team determined during the interview process that policies were created at the LEA level and not by individual schools. School improvement plans reviewed by the ED team in OCPS and PiCPS did not consistently include all the required components, such as strategies based on scientifically-based research. The FLDOE had not ensured that Title I schoolwide programs were implemented in accordance with statutory requirements in section 1114 of the ESEA. The FLDOE had not ensured that its LEAs receiving \$500,000 or more in Title I funds reserved one percent of their allocation for parental involvement activities and allocated at least 95 percent of the reservation to schools. The FLDOE had not ensured that its LEAs correctly calculated equitable services for private school students, their teachers and families. The FLDOE had not ensured that its LEAs met the requirements for supplement, not supplant. The FLDOE had not ensured that its LEAs met

comparability requirements. The FLDOE had not ensured that its LEAs exercised proper oversight in awarding contracts for the provision of Title I services to participating private school students. The FLDOE had not ensured that its LEAs had met the requirements for consultation regarding the evaluation of the Title I program for private school students, including consultation regarding what constitutes annual progress for the Title I program serving eligible private school children, nor the requirement that these programs annually assess the progress of the Title I program toward enabling participants to meet the agreed-upon standards.

### **Overarching Requirement – SEA Monitoring**

A State’s ability to fully and effectively implement the requirements of Title I of the ESEA is directly related to the extent to which it is able to regularly monitor its LEAs and provide quality technical assistance based on identified needs. This principle applies across all Federal programs under the ESEA.

Federal law does not specify the particular method or frequency with which States must monitor their grantees, and States have a great deal of flexibility in designing their monitoring systems. Whatever process is used, it is expected that States have mechanisms in place sufficient to ensure that States are able to collect and review critical implementation data with the frequency and intensity required to ensure effective (and fully compliant) programs under the ESEA. Such a process should promote quality instruction and lead to achievement of the proficient or advanced level on state standards by all students.

**Status:** Met Requirements.

**Monitoring Area: Title I, Part A: Fiduciary Responsibilities**

<b>Indicator Number</b>	<b>Description</b>	<b>Status</b>	<b>Page</b>
3.1	The SEA complies with— <ul style="list-style-type: none"> <li>• The procedures for adjusting ED-determined allocations outlined in sections 200.70 – 200.75 of the regulations.</li> <li>• The procedures for reserving funds for school improvement, State administration, and (where applicable) the State Academic Achievement Awards program.</li> <li>• The reallocation and carryover provisions in sections 1126(c) and 1127 of the Title I statute.</li> </ul>	Met requirements	N/A
3.2	The SEA ensures that its LEAs comply with the provision for submitting an annual application to the SEA and revising LEA plans as necessary to reflect substantial changes in the direction of the program.	Met requirements	N/A
3.3	The LEA complies with the requirements with regard to: (1) Reserving funds for the various set-asides either required or allowed under the statute, and (2) Allocating funds to eligible school attendance areas or schools in rank order of poverty based on the number of children from low-income families who reside in an eligible attendance area. [ §§. 1113, 1116, 1118 of the ESEA and § 200.77 and §200.78 of the Title I regulations]	Finding	6
3.4	The SEA ensures that the LEA complies with--- <ul style="list-style-type: none"> <li>• The procedures for ensuring maintenance of effort (MOE) as outlined in §1120A and 9021 of the ESEA.</li> <li>• The procedures for meeting the comparability requirement as outlined in § 1120A of the ESEA.</li> <li>• The procedures for ensuring that Federal funds are supplementing and not supplanting non-Federal sources used for the education of participating children as outlined in §1120A of the ESEA, §1114 of the ESEA, §1115 of the ESEA, and §1116 of the ESEA.</li> </ul>	Met requirements	N/A
3.5	The SEA ensures that the LEA complies with requirements with regard to services to eligible private school children, their teachers and their families. § 1120 and 9306 of the statute, § 443 of GEPA, and §§ 200.62 – 200.67, 200.77 and § 200.78 of the Title I Regulations.	Findings	6

## **Monitoring Area: Title I, Part A: Fiduciary Responsibilities**

### **Indicator 3.3 - Within District Allocations.**

**Finding:** The FLDOE has not ensured that its LEAs calculate the proportionate share of applicable LEA reservations. MDCPS had not calculated the proportionate share of a reservation for a graduation program provided to all Title I high schools, regardless of their improvement status.

**Citation:** Section 200.65(a)(2) of the Title I regulations requires that the amount of funds available to provide equitable services from the reserved funds must be proportionate to the number of private school children from low-income families residing in participating public school attendance areas.

**Further action required:** The FLDOE must ensure that MDCPS and all its LEAs serving eligible private school children correctly calculate equitable services on all applicable reservations. Prior to allocating funds to LEAs, the FLDOE must ensure that its LEAs correctly calculate the required equitable services reservations for all applicable reservations. The FLDOE must provide ED with a detailed description of how and when it informed its LEAs of this requirement. This description may include any documents, such as letters to LEAs and/or agendas for technical assistance meetings. The FLDOE must also provide ED with evidence that it has informed and provided technical assistance to MDCPS regarding the determination of reservations where the equitable services requirement applies. In addition, the FLDOE must submit to ED a description of how it will ensure that its LEAs correctly calculate the required equitable services reservations for all applicable reservations.

### **Indicator 3.5 - Services to Eligible Private School Children**

**Finding (1):** The FLDOE has not ensured that its LEAs have exercised proper oversight when reimbursing third-party providers for services to private school children as evidenced by the following:

- MDCPS had not required the contractor that is providing Title I equitable services to private school children to submit with its invoices documentation that it is only charging to instruction its costs for direct services and not including any administrative costs.

**Citation:** Section 9306(a)(5) of the ESEA requires an LEA submitting a consolidated application to use fiscal control and fund accounting procedures that will ensure proper disbursement of, and accounting for, Federal funds paid to the LEA.

Section 443 of the General Education Provisions Act (GEPA) requires each recipient of Federal funds, such as an LEA, to keep records which fully disclose the amount and disposition of the funds, the total costs of the activity for which the funds are used as well as other records as will facilitate an effective financial or programmatic audit.

Section 1120(a)(3) of the ESEA requires that funds generated by private school children must be used for instructional activities if the funds generated by public school children from low-income families are used for instructional activities.

Providers must list on their invoices expenditures by categories: instructional activities (paid with funds generated by private school children from low-income families), parental involvement activities (paid from funds reserved for parental involvement), professional development activities (paid from funds reserved for professional development) and administrative costs (paid with funds from the section 200.77(f) reservations). Within each category, the contractors must provide detail sufficient to enable the LEA to determine that the requested invoices are in accordance with Title I requirements and the GEPA. Information could include the name and salary of each teacher, the instructional materials purchased, and the specific administrative costs, such as supervisor's salary, office expenses, travel costs, capital expense type costs, and fees. Invoices that are for more than one type of service, for example, for services for private school children as well as parental involvement activities for their parents must break out the third-party costs for instruction and family involvement. LEAs have the authority under the GEPA to require documentation to support requested expenditures.

Further action required: The FLDOE must provide ED with a detailed description of the steps it will take to ensure that its LEAs exercise proper oversight over invoices submitted from third-party providers that are providing Title I services to private school children. The description must address the technical assistance the FLDOE will provide to MDCPS, and how it will monitor its LEAs' oversight of invoices. The FLDOE must provide ED with evidence that it has notified MDCPS that its contracts with the third party providing services to private school children, their teachers and/or families must include the requirements listed above. In addition, the FLDOE must provide ED with copies of five MDCPS invoices from the 2011-2012 school year that meet these requirements.

**Finding (2):** The FLDOE has not ensured that its LEAs have met the requirements for consultation regarding the evaluation of the Title I program for private school students, including consultation regarding what constitutes annual progress for the Title I program serving eligible private school children, nor the requirement that these programs annually assess the progress of the Title I program toward enabling participants to meet the agreed-upon standards. Neither MDCPS nor PBCPS has met the requirements for consultation regarding the evaluation of the Title I program for private school students, including consultation regarding what constitutes annual progress for the Title I program serving eligible private school children.

Citation: Section 1120(b)(1)(D) of the ESEA and section 200.63 (b)(5) of the Title I regulations require an LEA to consult with appropriate officials from private schools during the design and development of the LEA's program for eligible private school students on issues such as how the LEA will assess academically the services to eligible private school students and how the LEA will use the results of that assessment to improve Title I services.

Further action required: The FLDOE must ensure that its LEAs providing Title I services to children attending private schools meet evaluation requirements. The FLDOE must provide ED with evidence that it has provided technical assistance to its LEAs regarding this requirement. In

addition, the FLDOE must provide ED with documentation that, for the 2011-2012 school year, both MDCPS and PBCPS have met requirements regarding evaluation of the Title I program provided to private school children.

**Finding (3):** The FLDOE has not ensured that its LEAs exercise proper oversight in awarding contracts for the provision of Title I services to participating private school children. PBCPS had issued a Request for Proposal (RFP) and a subsequent contract for Title I services and services under the Individuals with Disabilities Act (IDEA). The contract does not contain sufficient detail to determine that the Title I statutory and regulatory requirements will be met. The contract is for services under Title I and IDEA. Services provided with IDEA and Title I have very different requirements and, consequently, each has a different set of criteria that would be used to determine allowable costs. The contract does not break out the amount of funding for each activity or program.

Citation: Section 9306(a)(1) and (2) of the ESEA requires an LEA when submitting a consolidated application to ensure that Title I will be administered in accordance with all applicable rules, regulations, program plans and applications, and the LEA will maintain control of funds provided, and title to any property acquired with Title I funds will be in the LEA and the LEA will administer those funds and property as required by Title I. Contracts must contain enough detail on how the third-party provider will implement Title I requirements with detail sufficient to enable LEAs to determine that the Title I statutory and regulatory requirements will be met.

Section 1120(a)(3) of the ESEA requires that educational services to eligible private school children be equitable in comparison to services for public school children. Section 200.77(f) of the Title I regulations requires that LEAs reserve such funds as necessary to administer Title I programs for both public and private school children, including capital expenses, if any, incurred in providing services to eligible private school children, such as: the purchase and lease of real and personal property; insurance and maintenance costs; transportation; and other comparable goods and services, including non-instructional computer technicians.

Section 9304(a) requires that the SEA ensure that programs authorized under the ESEA are administered in accordance with all applicable statutes, regulations, program plans, and applications.

Further action required: The FLDOE must require PBCPS and all its LEAs that provide services to private school students to ensure that any third parties are providing Title I services to eligible private school children, their teachers, and their families in accordance with all Title I requirements. The FLDOE must require its LEAs to have signed contracts or agreements with third-party providers that have technical descriptions of the Title I services with detail sufficient to enable LEAs to determine that the Title I statutory and regulatory requirements will be met as required by section 9306 of the ESEA. Contracts must specify the precise amount for the provider's administrative costs. Contracts for more than one type of service, for example, for services for private school children, and, if applicable, family involvement and/or professional development must detail the specific amount(s) for each type of activity. The FLDOE must provide ED with evidence that it has notified PBCPS that its contract with the third parties

providing Title I services to private school children, their teachers and/or families must include the requirements listed above. The FLDOE must provide ED with a copy of a contract from PBCPS that meets these requirements. The FLDOE must also provide ED with a detailed description of how and when it informed PBCPS of this requirement, and what technical assistance it has or will provide.

**Finding (4):** The FLDOE has not ensured that private school children received Title I equitable services in a timely fashion. Because PBCPS was changing the Title I program for eligible private school children, at the time of the monitoring visit, Title I services for private school children had not yet begun.

Citation: Section 1120(a) of the ESEA requires the LEA to provide equitable services to participating children in participating private schools on an equitable basis (after consultation with the participating private school officials).

Citation: Section 200.64 of the Title I regulations requires that services that an LEA provides to eligible private school children must be equitable in comparison to the services and benefits that the LEA provides to public school children participating in Title I. In order to meet equitable services requirements an LEA must:

- Provide eligible private school children with an opportunity to participate;
- Meet the equal expenditure requirements for instruction, professional development, and parent involvement;
- Assess student needs and the effectiveness of the Title I program; and
- Begin Title I programs at the same time as the Title I programs for public school children.

Further action required: The FLDOE must provide ED with documentation that PBCPS has begun Title I services for eligible private school children. In addition, the FLDOE must provide ED with evidence that PBCPS will have met the equal expenditure requirements for instruction, professional development, and parent involvement for the 2011-2012 school year, or has carried over those funds to the 2012-2013 school year specifically for services for eligible private school children, their teachers, and families.

## Title I, Part D

### Summary of Monitoring Indicators

<b>Neglected, Delinquent or At-Risk of Dropping-Out Program</b>			
<b>Indicator Number</b>	<b>Description</b>	<b>Status</b>	<u>Page</u>
1.1	The SEA has implemented all required components as identified in its Title I, Part D (N/D) plan.	Met Requirements	N/A
1.2	The SEA ensures that State agency (SA) plans for services to eligible N/D students meet all requirements.	Met Requirements	N/A
1.3	The SEA ensures that local educational agency (LEA) plans for services to eligible N/D students meet all requirements.	Met Requirements	N/A
2.1	The SEA ensures that institutionwide programs developed by the SA under Subpart 1 use the flexibility provided to them by law to improve the academic achievement of all students in the school.	Met Requirements	N/A
3.1	The SEA ensures each SA has reserved not less than 15 percent and not more than 30 percent of the amount it receives under Subpart 1 for transition services.	Met Requirements	N/A
3.2	The SEA conducts monitoring of its subgrantees sufficient to ensure compliance with Title I, Part D program requirements.	Met Requirements	N/A

**McKinney-Vento Homeless Education Program  
Summary of Monitoring Indicators**

<b>McKinney-Vento Homeless Education Program</b>			
<b>Indicator Number</b>	<b>Description</b>	<b>Status</b>	<u>Page</u>
Indicator 1.1	The SEA collects and reports to ED assessment data from LEAs on the educational needs of homeless children and youth.	Met Requirements	N/A
Indicator 2.1	The SEA implements procedures to address the identification, enrollment and retention of homeless students.	Met Requirements	N/A
Indicator 2.2	The SEA provides, or provides for, technical assistance for LEAs to ensure appropriate implementation of the statute.	Met Requirements	N/A
Indicator 3.1	The SEA ensures that LEA subgrant plans for services to eligible homeless students meet all requirements.	Met Requirements	N/A
Indicator 3.2	The SEA ensures that the LEA complies with providing comparable Title I, Part A services to homeless students attending non-Title I schools.	Met Requirements	N/A
Indicator 3.3	The SEA has a system for ensuring the prompt resolution of disputes.	Met Requirements	N/A
Indicator 3.4	The SEA conducts monitoring of LEAs with and without subgrants, sufficient to ensure compliance with McKinney-Vento program requirements.	Met Requirements	N/A